15 December 2023

Department of Infrastructure, Transport,

Regional Development, Communications and the Arts

**WAFarmers: Submission Better Delivery of Universal Services.**

WAFarmers welcome the opportunity to comment on the inquiry into the Telecommunications Universal service obligation (USO).

WAFarmers is the largest peak body for Broadacre Farmers consisting of 1000 members across livestock, dairy and grains in Western Australia.

It is essential that a modern universal service framework delivers telecommunications services that are reliable, robust, and able to meet the needs and expectations of our members and consumers, particularly, for those in regional and remote areas.

The world of telecommunications has evolved since the first copper lines were installed in Australia in 1882, the first digital radio concentrator system was rolled out by telecom in 1985, the first mobile phones in 1987, the first satellite phones in 1989, ADSL in 2000, NBN in 2011, Sky Muster in 2015, Starlink in 2019 and Starlink Direct to Cell is due over the coming years.

The USO has served its purpose well, but technology has moved on and now needs to reflect the range of different voice connectivity options that are now available.

New technology has opened the opportunity to review the two funding mechanisms RBS and TIL and redirect funds from a modernized and streamlined USO into improved regional and remote blackspots connectivity.

Where a range of services can increasingly be provided through commercially available networks it will provide opportunities to redirect subsidies to basic voice services for customers who do not have access to commercially available networks.

The existing copper network has a finite life, and the Government needs to factor this into its planning around the future of the USO along with the fact that it is increasingly been bypassed by other alternative communications systems and being dropped by those with alternate options.

The Government has supplemented investment in universal service delivery through tailored investments in regional connectivity, totalling $2.2 billion over five years. These co-investment programs should continue irrespective of any changes to the USO to ensure regional and remote Australia continues to benefit from investment in regional connectivity infrastructure.

WAFarmers recognises that maintaining fixed copper lines to farmhouses is costly and ultimately has a finite life and it is timely to review and bring the USO up to available technology.

The days of a fixed phone to a farmhouse as part of a rural operation as an essential connectivity and safety link to the outside world has moved on to a world of connectivity 24/7 wherever you are on the property or in Australia.

Increasing mobile penetration, fixed wireless, and LEO Satellites can now cover the health and safety issues for farm and station operators far better than the phone on the farmhouse wall connected via copper cable to the nearest exchange.

There is an opportunity to follow the Western Power (Western Australian State government owned poles and wires utility service) example and wind up the states regional network of 9000, mostly farmhouse customers, by replacing the poles and wires with a fit for purpose stand-alone alternative, in Western Power’s case this is ($200,000) solar, battery and diesel generation units.

In the case of the USO this could see the fixed copper wire replaced by one of the satellite services like Starlink and geostationary satellite solutions like nbn Sky Muster.

A customer under the current technology options could have multiple options in this case with the choice to have their home broadband using Sky Muster and their home phone with Telstra powered by Starlink.

A similar approach needs to be taken to redundancy.

There already are multiple connectivity solutions outside of copper that are commercially available in rural and remote areas today whether it be mobile, fixed wireless, satellite for home broadband to make Wi-Fi texting and calling, satellite phone solutions, and of soon Direct to Handset (DTH).

While one of the key areas of concern we hear about moving to new connectivity solutions is provision of reliable power it is clear that people outside of regional towns, particularly on farms and stations, all have their own backup power in the form of portable or fixed generators which can be installed for less than $5000.

We think that a LEO satellite solution that can be run off the grid with customers own back-up power supply has far more resiliency than legacy copper network which relies on mains power supply to the exchange, and which are also more susceptible to damage from bush fires and floods.

This means the existing provisions in the USO need to be removed when there are multiple options available thereby freeing up government funding for further public investment in regional connectivity.

The Federal Government needs to factor in the end of life and increasing costs of supporting Telstra to maintain this service by redesigning the USO to speed up adoption of alternative voice communication options.

The new benchmark to enable the removal of copper should be the ability for customers to access at least two other modes of satellite or fixed wireless connectivity, noting that mobile provides in many cases a third backup option particularly if its connectivity is predetermined at a set point on the property, for example the old terminus of the land line.

The USO for broadband and voice should be simplified to remove any overlaps in the obligations and funding mechanisms.

WAFarmers recognises the importance of payphones and notes the move by Telstra to make the 14,500 USO payphones free of charge and along with data from 3,300 of its Wi-Fi payphones also free of charge.

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Open Submission for Public Viewing